

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

In the Matter of:	)	
	)	
Amendment of the Commission's Rules To	)	GEN Docket No. 90-314
Establish New Personal Communications	)	
Services	)	
	)	

**UTAM, INC. BIENNIAL REPORT**

UTAM, Inc. ("UTAM"), by its attorneys, herewith submits its biennial report, as required pursuant to the *Fourth Report & Order* in the above-captioned docket.<sup>1</sup> As the Commission is aware, UTAM is the FCC-designated frequency coordinator for the unlicensed Personal Communications Service ("UPCS") band, as well as the joint industry body<sup>2</sup> for managing the relocation of incumbent microwave users from the UPCS band. With the transition of microwave incumbents to secondary status in 2005, UTAM's role has narrowed to specifically managing financial obligations relative to UPCS band clearing. Accordingly, this report is specific to UTAM's current financial plans and outlook.

UTAM has a number of longer term fixed financial obligations and an offsetting expectation of future revenue. UTAM has repayment obligations to its original funding members of approximately \$6 million. UTAM is also obligated to repay approximately \$4 million to a number of wireless carriers pursuant to microwave cost-sharing contracts. UTAM is

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<sup>1</sup> Amendment of the Commission's Rules to Establish New Personal Communications Services, 10 FCC Rcd 7955 (1995) ("*Fourth Report & Order*").

<sup>2</sup> All parties who have paid the UTAM membership fee are members of UTAM and able to vote at annual UTAM member meetings. UTAM is generally governed by a Board of Trustees, who are elected by the members for staggered terms. The UTAM membership and Board are detailed in Attachment 1.

not currently making any payments on either class of obligations, and these obligations are not accruing any interest charges. UTAM is also owed \$12.7 million from new licensees upon auction of the 1915-1920 MHz band as *pro rata* reimbursement for cost-sharing expenditures to clear that band.<sup>3</sup> Under the circumstances, UTAM's expectation of future revenue more than offsets its liabilities, although it cannot satisfy such liabilities, nor can it take advantage of any surplus for current expenses, until the auction occurs. To the extent that any amount remains following such reimbursement and the shutdown of UTAM, that surplus would be donated to a non-profit at the time UTAM is legally dissolved.

UTAM notes that in March of 2012, the FCC issued an NPRM and NOI proposing, among other things, changes to the 2 GHz band and mobile satellite service ("MSS") allocations in the 2 GHz band. UTAM filed comments in that proceeding noting that "S Band interference could drastically affect UTAM's recognized interest in the H Block and any modifications to the 2 GHz band for the benefit of Dish should impose on Dish the potential risk of devaluation of the H Block," and arguing that "the FCC should require, as a condition of any terrestrial license awarded to Dish, that Dish be required to pay the \$12.7 million owed to UTAM from future H Block licensees and step into UTAM's shoes with respect to future reimbursement."<sup>4</sup> In response to suggestions in the docket that the lower H Block be reallocated for unlicensed use, UTAM noted that "[w]hile an industry mechanism could then conceivably be created—or UTAM repurposed—to apply an industry cost-sharing mechanism to then compensate parties that have provided seed capital for the 1915-1920 MHz band, that obligation should be separate

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<sup>3</sup> See Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Systems, ET Docket No. 00-258, *Sixth Report and Order, Third Memorandum Opinion and Order, and Fifth Memorandum Opinion and Order* 19 FCC Rcd 20720 (2004).

<sup>4</sup> Comments of UTAM, Inc., Service Rules for Advanced Wireless Services in the 2000-2020 MHz and 2180-2200 MHz Bands, WT Docket No. 12-70 (filed May 18, 2012).

and apart from the current cost-sharing rules for the 1920-1930 MHz band,” and observed that “[i]t would not be good policy or legally permissible to require UTAM members to shoulder a financial obligation they have not agreed to bear.”<sup>5</sup>

UTAM is currently in a “maintenance mode” whereby it has minimized its activities and expenses, and has therefore been able to eliminate the per device fees that were formerly charged for UPCS devices. There is, however, a one time \$50,000.00 membership fee for new members, which is UTAM’s sole source of operating revenue. At this time, UTAM cannot forecast when the 1915-1920 MHz band will be auctioned, nor can it estimate the number of new members that will join. Based on UTAM’s existing cash equivalents, UTAM believes it has sufficient operating revenue through 2013 with a prudent litigation and contingency reserve. Notably, UTAM has minimized its expenses to the extent possible; its Board of Trustees is uncompensated, Board meetings are held telephonically, and recurring expenses include only the Managing Director’s salary, insurance premiums, and legal and accounting fees. UTAM’s Board of Trustees closely monitors UTAM’s expenditures and budget, and is not planning any modification to the amount of the fee through the end of 2012, although it is considering measures that would permit installment payments for the initial membership cost.

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<sup>5</sup> Reply Comments of UTAM, Inc., Service Rules for Advanced Wireless Services in the 2000-2020 MHz and 2180-2200 MHz Bands, WT Docket No. 12-70 (filed June 1, 2012).

Should any questions arise concerning UTAM's operations, parties should contact Michael Stima, UTAM's Managing Director, at (908) 526-3636. UTAM's contact information is also listed at its website at [www.utam.org](http://www.utam.org).

Respectfully submitted,

By: \_\_\_\_\_  
Michael Stima  
Managing Director

Dated: July 2, 2012

## UTAM MEMBERSHIP AND BOARD OF TRUSTEES

Aastra DeTeWe  
Alcatel-Lucent  
American Telecom Services, Inc.  
Ascom Wireless Solutions.  
Askey Computer Corp.  
Avaya, Inc.  
Bang & Olufsen a/s  
Binatone Electronics Int'l. Inc.  
CCT Marketing  
CeoTronics  
Cisco Systems, Inc.  
Cypress Electronics Ltd.  
Cybiotronics Ltd.  
Dasanelectron Co. Ltd.  
David Clark Co., Inc.  
DeTeWe GmbH  
Doremi Labs, Inc.  
DRS Ltd.  
Ericsson, Inc.  
Exceptional Innovations, LLC  
Giant Telecom  
Gigaset Communications USA, LLC  
Global China Technology  
GN Netcom  
Grace Digital Inc.  
Iwatsu America, Inc.  
Kingtel  
Kirk Telecom  
Konftel AB  
Lake Communications, Ltd.  
LG-Ericsson Co. Ltd.  
Lightspeed Technologies, Inc.  
LogicMark, LLC  
Market Direct  
Medical Alarm Concepts  
Mitel  
Motorola, Inc. \*\*  
M 7 System, Ltd.

NEC Philips Unified Solutions  
Nitsuko America, Inc.  
Nortel Networks Inc.  
Ooma, Inc.  
Open Peak, Inc. \*\*  
Panasonic \*\*  
Philips Consumer Electronics  
Plantronics  
Polycom  
Porta Phone Co. Inc.  
Punkt Tronics, AG  
Quail Ltd.  
Riedel Communications  
Revolabs, Inc.  
RTX Telecom A/S \*\*  
Samsung Electronics  
Sennheiser Communications A/S  
Shandong Bittel Electronics Co., Ltd.  
Sharp Corporation  
Siemens Enterprises, GMBH & Co.  
Sitel Semiconductor BV  
SMC Networks  
SNOM Technonolgy  
Sonetics Corp.  
Sound Merchandising, Inc.  
SunCorp  
Teledex LLC  
Telefield, Ltd.  
Telematrix, Inc.  
The Great Arnoldi, LLC  
Thomson, Inc.  
Toshiba  
Unical Enterprises, Inc.  
Uniden \*\*  
Vitec Communications  
Vtech \*\*  
3M Svenska AB

\*\* Indicates Board Membership